

Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 AID-05 EB-08 COME-00 TRSE-00
CIAE-00 DODE-00 PM-05 H-01 INR-10 L-03 NSAE-00
NSC-05 PA-01 SP-02 SS-15 ICA-11 OMB-01 OES-09
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FM AMEMBASSY SANTO DOMINGO
TO SECSTATE WASHDC PRIORITY 5584

C O N F I D E N T I A L SECTION 1 OF 2 SANTO DOMINGO 4294

EO 11652 GDS
TAGS: PINT, PINS, DR
SUB: THE CONTINUING FESTIVAL OF INSTANT LAWS, AND OTHER
POLITICAL SHENANIGANS

REF: SANTO DOMINGO 4274,

1. AFTER A BRIEF PAUSE LAST WEEK TO TAKE STOCK, THE NATIONAL CONGRESS, DOMINATED BY MEMBERS OF PRESIDENT BALAGUER'S REFORMISTA PARTY, WAS ORDERED IN THE PAST FEW DAYS BACK INTO THE "INSTANT" LAW-MAKING BUSINESS. TOGETHER WITH BALAGUER'S LAST-MINUTE SHIFTING AROUND OF THE ADMINISTRATIVE FURNITURE HE INTENDS TO LEAVE PRESIDENT ANTONIO GUZMAN, THIS HAS PROVOKED A GROWING PUBLIC REACTION AGAINST THE PRESIDENT AND HIS CONGRESS THAT MAY FINALLY APPLY THE BRAKES TO THEIR MORE EXCESSIVE LAME-DUCK ACTIONS.

2. WHAT MIGHT HAVE BEEN THE LAST STRAW FOR THE PUBLIC'S PATIENCE CAME EARLIER THIS WEEK WHEN THE SENATE WHOOPED THROUGH A LAW THAT WOULD GIVE THE FAMILY (AND FRIENDS) OF R.A. FONT BERNARD FREE, A NEW NATION WIDE TELEVISION-RADIO NETWORK. FONT, PRESENTLY HEAD OF THE GOVERNMENT'S RADIO-TV NETWORK RTVD AND A BALAGUER CRONY

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SINCE TRUJILLO'S TIME, HAS BEEN A SHADOWY BUT KEY FIGURE IN VIRTUALLY ALL IMPORTANT GOVERNMENT ACTIONS BOTH BEFORE AND AFTER THE ELECTIONS OF MAY 16.

3. BESIDES IGNORING PRESENT COMMUNICATIONS REGULATIONS, WHICH HAD IMPOSED A FREEZE ON NEW TV STATION LICENSES, IT TURNS OUT THAT GRANT OF TWO NEW CHANNELS TO FONT WOULD PRO-

DUCE OVERLAP, HENCE INTERFERENCE, WITH AT LEAST TWO OTHER EXISTING NETWORKS. THESE ARE TRVD ITSELF, AND A PRIVATE NETWORK WHOSE EDITORIAL COMMENTARIES CRITICIZING BALAGUER'S BEHAVIOR SINCE MAY 16 HAVE BEEN THE SHARPEST HEARD ON THE AIR. THE GOVERNMENT DENIES IT, BUT TV EXPERTS AVER THAT FONT'S NETWORK COULD PRODUCE HAVOC IN THE NATION'S TELEVISION SYSTEM; THE PROPOSED LAW, FOR INSTANCE, WOULD HAVE SEVEN TELEVISION STATIONS OPERATING IN SANTO DOMINGO, A CITY OF ONE MILLION, FIVE OF THEM IN IMMEDIATE SEQUENCE (CHANNELS 4-9).

4. THE UPROAR IN BOTH THE PRINT AND ELECTRONIC MEDIA MAY HAVE CAUSED SOME REFORMISTAS TO ASK THEMSELVES IF PERHAPS THEY WERE CARRYING THINGS TOO FAR WITH LESS THAN A FORTHNIGHT LEFT TO THEM IN POWER. IN ANY CASE, AFTER THE TELEVISION LAW SAILED THROUGH THE SENATE WITHOUT EVEN HAVING BEEN READ, THE LOWER CHAMBER OF DEPUTIES DECIDED, FOR THE FIRST TIME SINCE THE LEGISLATIVE ORGY BEGAN A FEW WEEKS AGO, TO DELAY ITS APPROVAL, AT LEAST LONG ENOUGH TO STUDY THE LAW. A PROMINENT REFORMISTA DEPUTY CONFIDED THAT SOME OF HIS COLLEAGUES WERE BECOMING UNCOMFORTABLE WITH THE SOURED PUBLIC OPINION CREATED BY THE "LEGISLATIVE FESTIVAL" (THE LATEST TERM, ALONG WITH "GACETAZO," "TELEFONAZO," "JUNTAZO," ETC., TO ENTER THE DOMINICAN POLITICAL PATOIS).

5. IN JUST THE LAST THREE DAYS, THE FESTIVAL HAS PRODUCED THE FOLLOWING LEGISLATIVE NOVELTIES:
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A. CONGRESS RESOLVED THAT HENCEFORTH, ITS VARIOUS BODIES AND COMMITTEES WILL NO LONGER VOTE IN SECRET. THIS BEGUILINGLY INNOCENT RESOLUTION IS DESIGNED TO INSURE THAT ANY REFORMISTA TENDING TO STRAY FROM THE RESERVATION IN THE NEXT CONGRESS DOES SO AT HIS OWN PERIL. THE MEASURE WAS DENOUNCED BY THE PRD AS ANTI-DEMOCRATIC.

B. THE CAPITAL'S LUXURY TOURIST HOTELS HAVE BEEN GIVEN 10-YEAR DUTY FREE PRIVILEGES TO IMPORT FOOD, DRINK AND OTHER NECESSARIES. THE STRONG REACTION OF BUSINESSMEN FORCED BALAGUER YESTERDAY (AUGUST 3) TO REVISE THESE JUICY ARRANGEMENTS TO INSURE THE PRIVILEGE IS NOT GLAGRANTLY ABUSED.

C. MILLIONS OF DOLLARS WORTH OF LUXURY APARTMENTS, BUILT BY THE GOVERNMENT IN 1975-76 AND WHICH HAVE SINCE STOOD EMPTY WHILE THE COUNTRY SHOPPED AROUND FOR FOREIGN BUYERS, WERE AUCTIONED OFF TO GOVERNMENT AND MILITARY FIGURES, AND THEIR FRIENDS AND RELATIVES, AT FIRE-SALE PRICES AND TERMS (E.G.,

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FM AMEMBASSY SANTO DOMINGO
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C O N F I D E N T I A L SECTION 2 OF 2 SANTO DOMINGO 4294

20-YEAR MORTGAGES AT NO INTEREST).

D. WHOLESALE REVISION (NO ONE KNOWS TO WHAT
EXTENT) OF THE COUNTRY'S SOCIAL SECURITY SYSTEM. A
RELATED LAW CREATES A NEW PENSION SYSTEM FOR THE EMPLOYEES
OF THE NATIONAL ELECTRIC COMPANY, WHILE THE OUTGOING CONGRESS
NOW IS CONSIDERING A PENSION PLAN FOR ITSELF AND ITS STAFF.

E. TO DEAL WITH THE SWINE FEVER EPIDEMIC ANOTHER LAW
CREATES A \$10 MILLION INDEMNIFICATION FUND FOR FARMERS WHOSE
ANIMALS MUST BE DESTROYED. THE FUND IS ONLY A DROP IN THE
BUCKET OF WHAT WILL BE NEEDED IF FARMERS ARE TO BE COMPEN-
SATED FOR THEIR LOSSES, BUT IT DOES ESTABLISH THE PRECEDENT,
WHICH GUZMAN AGREES WITH BUT FOR WHICH HE WILL HAVE TO BEAR
THE FINANCIAL BURDEN, OF INDEMNIFICATION.

F. CONGRESS ALSO VOTED TO REMOVE THE PRESIDENT'S
AUTHORITY TO APPOINT THE HEAD OF THE NATIONAL LEAGUE OF
MUNICIPALITIES, FROM NOW ON THIS INDIVIDUAL WILL BE CHOSEN
BY THE NATION'S MAYORS, THE MAJORITY OF WHOM ARE REFORMISTAS.
WHILE LISTIN DIARIO IN ITS EDITORIAL (REFTEL) DISMISSED THIS LAW
AS NONSENSE, IT COULD HAVE SOME SIGNIFICANCE SINCE THE HEAD OF
THE LEAGUE IS THE CONDUIT THROUGH WHICH MONIES FROM THE CENTRAL
GOVERNMENT IS FUNNELED TO THE NATION'S CITIES AND TOWNS,
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THEIR CHIEF SOURCE OF INCOME.

6. WHILE THESE LAWS AND AOTHERS WERE POURING OUT OF THE NATIONAL CONGRESS, OVER AT THE PRESIDENTIAL BALACE BALAGUER WAS NOT IDLE. AMONG OTHER THINGS THE PRESIDENT SWORE IN THE NATION'S 45TH FLAG-RANK OFFICER, (THE HEAD OF THE INTERNATIONAL AIRPORT WHO HAS HELD THE RANK OF COLONEL FOR YEARS); ALSO MADE PERMANENT THE TEMPORARY RANKS OF BRIGADIER AND MAJOR GENERAL OF SEVERAL OTHER OFFICERS, INCLUDING THE CODYGUARD, A FORMER CHAUFFEER, OF HIS SISTER EMMA; AND HE SWORE IN A NEW CHIEF OF STAFF OF THE ARMED FORCES (A POSITION SO FAR UNDEFINED AND NOT RPT NOT PROVIDED FOR UNDER THE NEW ORGANIC LAW), MGEN M.A. JORGE MORENO, WHO WAS DISPLACED AS ARMY CHIEF OF STAFF IN LAST MONTH'S REARRANGEMENT OF COMMANDS IN THE ARMED FORCES AND POLICE.

7. OTHER ELEMENTS OF BALAGUER'S GOVERNMENT CHIPPED IN. THE LONG-STANDING IMPEDIMENT AGAINST THE RETURN FROM EXILE OF LUIS RAFAEL TRUJULLO MOLINA, HALF-VROTHER OF THE LATE DICTATOR, WAS LIFTED JULY 2 AND HE RETURNED QUIETLY TO THE DOMINICAN REPUBLIC JULY 29. IT IS NOT PUBLICLY KNOWN THAT TRUJILLO, EXILED IN 1961, IS BACK, BUT IT MOST LIKELY SOON WILL BE, LEAVING PRESIDENT GUZMAN WITH THE NETTLESOME PROBLEMS OF ALLOWING HIM TO STAY OR, VIOLATING HIS HUMAN RIGHTS, ORDERING HIM REDEPORTED.

8. OVERDUE AND NECESSARY INCREASES IN ELECTRIC AND TELEPHONE TARIFFS, WHICH BALAGUER HAS STALLED ON FOR A YEAR OR MORE, WILL BE ONE OF THE FIRST NECESSITIES CONFRONTING GUZMAN, IF THESE ESSENTIAL SERVICES ARE TO CONTINUE. SPOKESMAN FOR THESE ENTITIES ACKNOWLEDGE PRIVATELY THAT SUCH INCREASES ARE VITALLY NEEDED BUT NO ACTION THIS GOVERNMENT
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IS CONTEMPLATED.

9. COMMENT: UNDOUBTEDLY THERE WILL BE MORE OF THIS IN THE TIME REMAINING TO BALAGUER AND THE PRESENT CONGRESS. WHILE SCANDALIZED BY THEIR ACTIONS, MOST DOMINICANS, INCLUDING THE LEADERSHIP OF THE PRD, CONTINUE TO FEEL THAT BY MANEUVER AND PERSEVERANCE, GUZMAN WILL BE ABLE TO PICK HIS WAY OVER THE OBSTACLE COURSE. HOW QUICKLY HE CAN GET UNDER CONTROL THE LARGER PROBLEMS OF RES-TARTING THE ECONOMY, A CHALLENGE THAT WILL INEVITABLY CONSTITUTE REAL POLITICAL PROBLEMS FOR HIM, IS ANOTHER MATTER.
YOST

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